

WORKFORCE OBSERVATIONS

FOR MILWAUKEE COUNTY/WOW COUNTIES

AUGUST 2003



July's Unemployment Rates Dip

The unemployment rate of **Milwaukee County** dropped by one-tenth of a percentage point to 7.7 percent in July. The labor force contracted slightly by 420 participants over the month, which is atypical for July. July is a month that typically brings about an increase in the number of employed and a decrease in the unemployed.

Washington County's unemployment rate was 4.9 percent in July. The rate dropped dramatically over the month by seven-tenths of a point, but it is five-tenths higher than the rate of July 2002. The last time the month of July showed nearly this high of an unemployment rate was in 1991 with a clip of 5.0 percent.

The **Ozaukee County** unemployment rate remained unchanged over the month at 4.5 percent. In fact, the labor force was extremely "quiet" over the month with only a small ripple in the number of employed and unemployed. The figure is lower than it was last July and is the only metro county to see an annual reduction in its unemployment rate.

Waukesha County's unemployment rate stood at 4.7 percent in July. July's figure is lower than June's by one-tenth of a percentage point and is unchanged from the rate in July 2002. Waukesha County has shown the best labor force performance from an annual perspective with the number of employed increasing faster than the number of unemployed at a ratio of 11:1, keeping the unemployment rate unchanged.

The **Milwaukee-Waukesha MSA** not seasonally adjusted unemployment rate was 6.5 percent in July, which was one-tenth of a percentage point lower than in June and three-tenths of a point higher than in July 2002. 1984 was the last time that the rate registered this high (the same rate, to be precise) in the month of July. For the second year in a row, the month of July has shown a monthly decrease in both the number of employed and unemployed. This is another example of how the unemployment rate is not always the most telling of statistic and the volume change of the employed and unemployed is. This is evidenced by the

fact that though the number of unemployed dropped considerably since June, the number of employed did not see such a complimentary increase in its number. In fact, the number of employed decreased as well. What does this mean? The labor force contracted in a month that usually experiences expansion.

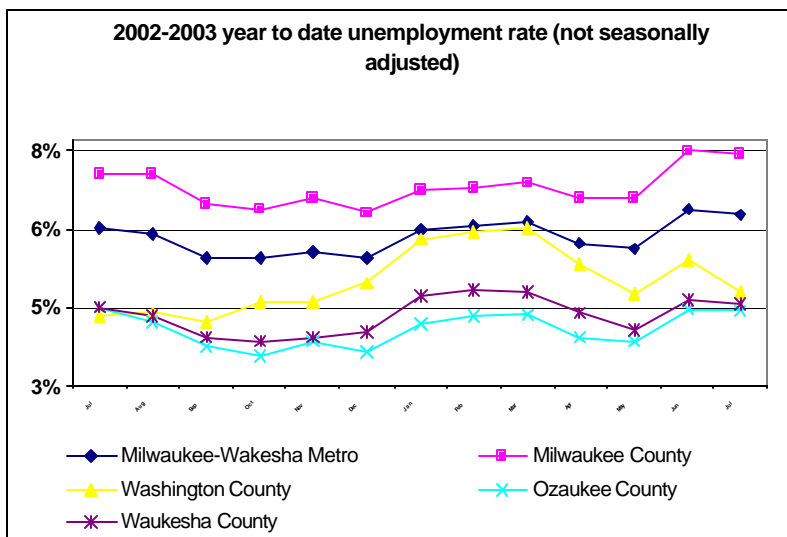
Industry Employment

The Milwaukee-Waukesha Metro area industry employment figures show the expected aspects of a seasonal labor economy with employment churning in and out, but they also show lackluster hiring from an annual basis.

The monthly perspective shows a net decrease of 11,700 jobs. This is actually not such an unheard of decrease for June to July dynamics. Government employment, namely metropolitan school districts' employment, was the center of the monthly decline (8,300 jobs) as is usually the case in July. School transportation is also affected by the summer break and shows in the form of a 2,000 job decrease in transportation, warehousing and utilities employment. Manufacturing employment decreased monthly as July is a popular month for re-tooling and factory maintenance and short summer breaks are planned. On the positive side of the monthly performance, leisure and hospitality employment gained 2,100 jobs and construction added 700 more jobs. Wholesale trade and professional and business services combined for a 1,000 job gain over the month.

The annual perspective reflects the understanding that the economy is not recovering from a labor perspective. The metro area

is down 11,700 jobs anchored in a 5,700 jobs loss in manufacturing employment. Retail trade and professional and business services employment are also running high annual deficits of 3,700 and 3,800 jobs, respectively. Construction employment is also down considerably by 1,100 jobs. Only three industries show annual employment growth: financial activities (+2,600 jobs), education and health services (+1,900 jobs) and information (+100 jobs).



July 2003	Wisconsin	Milwaukee-Waukesha MSA	Milwaukee County/WDA	Washington County	Ozaukee County	Waukesha County	W-O-W WDA
Civilian Labor Force*	3,167,650	839,117	498,278	70,742	49,799	220,298	340,839
Persons Employed	2,992,256	784,755	459,907	67,276	47,542	210,030	324,848
Persons Unemployed	175,394	54,362	38,371	3,466	2,257	10,268	15,991
Unemployment Rate	5.5%	6.5%	7.7%	4.9%	4.5%	4.7%	4.7%
Total jobs of all non-farm industries** (Thousands)	2,800.5	828.7	525.6	47.2	37.4	218.4	303.0
Goods Producing Jobs	650.5	171.9	82.5	16.3	11.7	61.5	89.4
Service Producing Jobs	2,150.0	656.8	443.1	30.9	25.7	156.9	216.5
Construction, Mining and Natural Resources	131.6	35.2	13.8	3.1	1.6	16.7	21.0
All Manufacturing	518.9	136.7	68.7	13.2	10.1	44.8	69.3
Total Trade	441.1	121.3	66.4	7.3	5.4	42.1	55.3
Wholesale Trade	119.1	41.2	20.8	2.1	1.4	16.9	20.2
Retail Trade	322.0	80.1	45.6	5.2	3.9	25.4	35.2
Transportation, Warehousing and Utilities	103.6	27.9	20.8	1.4	0.4	5.2	7.6
Financial Activities	159.1	60.5	41.9	2.0	2.1	14.5	18.7
Education and Health Services	362.1	127.8	93.9	5.3	4.4	24.2	33.9
Leisure & Hospitality	262.7	68.3	43.8	4.8	3.4	16.4	23.8
Information, Professional and Business Services, Other Services	441.9	163.8	114.2	5.4	6.0	38.2	49.8
Information	50.8	19.5	13.4	0.5	0.3	5.3	6.1
Professional and Business Services	250.7	102.9	74.2	2.3	3.8	22.6	28.5
Other Services	140.4	41.4	26.5	2.6	1.9	10.4	15.2
All Government	379.5	87.2	62.2	4.7	4.0	16.3	27.4
Change from June 2003							
Civilian Labor Force*	1,980	-1,260	-420	-520	-30	-290	-840
Persons Employed	8,530	-200	-120	-20	-10	-50	-80
Persons Unemployed	-6,550	-1,060	-300	-510	-20	-240	-760
Unemployment Rate	-0.2%	-0.1%	-0.1%	-0.7%	0.0%	-0.1%	-0.2%
Total jobs of all non-farm industries** (Thousands)	-30.7	-11.7	-8.0	-0.7	-0.5	-2.5	-3.7
Goods Producing Jobs	1.7	-1.8	-1.0	-0.2	-0.2	-0.5	-0.8
Service Producing Jobs	-32.4	-9.9	-7.0	-0.5	-0.4	-2.0	-2.9
Construction, Mining and Natural Resources	1.8	0.7	0.3	0.1	0.0	0.3	0.4
All Manufacturing	-0.1	-2.5	-1.3	-0.2	-0.2	-0.8	-1.2
Total Trade	1.5	-1.3	-0.8	-0.1	-0.1	-0.5	-0.6
Wholesale Trade	0.4	0.5	0.3	0.0	0.0	0.2	0.2
Retail Trade	1.1	-1.8	-1.0	-0.1	-0.1	-0.6	-0.8
Transportation, Warehousing and Utilities	-3.0	-2.0	-1.5	-0.1	0.0	-0.4	-0.5
Financial Activities	0.0	-0.1	-0.1	0.0	0.0	0.0	0.0
Education and Health Services	-0.7	0.1	0.1	0.0	0.0	0.0	0.0
Leisure & Hospitality	5.7	2.1	1.3	0.1	0.1	0.5	0.8
Information, Professional and Business Services, Other Services	3.2	-0.4	-0.2	0.0	0.0	-0.1	-0.2
Information	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Professional and Business Services	4.0	0.5	0.4	0.0	0.0	0.1	0.1
Other Services	-0.9	-1.0	-0.6	-0.1	0.0	-0.3	-0.4
All Government	-39.1	-8.3	-5.9	-0.4	-0.4	-1.6	-2.4
Change from July 2002							
Civilian Labor Force*	76,020	6,870	4,750	740	210	1,180	2,130
Persons Employed	65,110	4,060	2,380	350	250	1,090	1,680
Persons Unemployed	10,910	2,810	2,370	390	-40	100	440
Unemployment Rate	0.2%	0.3%	0.4%	0.5%	-0.1%	0.0%	0.1%
Total jobs of all non-farm industries** (Thousands)	4.8	-11.7	-6.3	-0.9	-0.7	-4.0	-5.5
Goods Producing Jobs	-22.9	-6.8	-3.3	-0.6	-0.5	-2.4	-3.5
Service Producing Jobs	27.7	-4.8	-3.0	-0.2	-0.2	-1.6	-2.0
Construction, Mining and Natural Resources	-8.5	-1.1	-0.4	-0.1	-0.1	-0.5	-0.7
All Manufacturing	-14.4	-5.7	-2.9	-0.6	-0.4	-1.9	-2.9
Total Trade	6.1	-3.8	-2.2	-0.2	-0.2	-1.4	-1.8
Wholesale Trade	3.4	-0.1	0.0	0.0	0.0	0.0	0.0
Retail Trade	2.7	-3.7	-2.1	-0.2	-0.2	-1.2	-1.6
Transportation, Warehousing and Utilities	1.5	-1.4	-1.1	-0.1	0.0	-0.3	-0.4
Financial Activities	4.0	2.6	1.8	0.1	0.1	0.6	0.8
Education and Health Services	4.9	1.9	1.4	0.1	0.1	0.4	0.5
Leisure & Hospitality	3.0	-0.1	-0.1	0.0	0.0	0.0	0.0
Information, Professional and Business Services, Other Services	11.8	-3.9	-2.8	-0.1	-0.1	-0.8	-1.1
Information	0.0	0.1	0.1	0.0	0.0	0.0	0.0
Professional and Business Services	5.5	-3.8	-2.7	-0.1	-0.1	-0.8	-1.0
Other Services	6.3	-0.2	-0.2	0.0	0.0	-0.1	-0.1
All Government	-3.6	-0.1	0.0	0.0	0.0	0.0	0.0

* Labor force figures are **not** seasonally adjusted and are commonly revised. Figures from "place of residence" survey from the Bureau of Labor Statistics' Local Area Unemployment Statistics program. **Figures based upon "place of employment" survey from the BLS, Non-Farm Wage and Salary estimates.

Month and year ago change figures are rounded and may not sum to total

Questions and comments regarding this publication are welcome. Direct to: **Eric Grosso, State Labor Market Economist**

201 E. Washington Avenue, Room G200, Madison, Wisconsin 53707

608-266-7034 608-266-5887(FAX) E-mail: eric.grosso@dwd.state.wi.us

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI